



BACK TO SCHOOL  
EDITION

## SC DEPARTMENT OF EDUCATION CHIEF FINANCE OFFICE

Please use the newly established email for submitting information to Financial Services at [financesvcs@ed.sc.gov](mailto:financesvcs@ed.sc.gov).

**AUGUST 2014  
ISSUE 2**

### FINANCIAL SERVICES

**August 2014** A monthly update from the State Department of Education's (SCDE) Office of Finance to local school district business officials. If you have any questions about information in this issue, contact Shatika Spearman at 803-734-8008, Felicia Poston at 803-734-8488 or Melissa Myers at 803-734-8453.

Beginning July 1, 2014, the SCDE discontinued mailing back-up documentation. Instructions on obtaining the back-up documentation is posted at <http://ed.sc.gov/agency/cfo/finance/>. Please use the following link for EIA and EFA payment summaries generated after July 1, 2014, [Payments to School Districts](#).

### CFO UPDATE

To better serve you, we are providing a list of finance employees and their areas of responsibility that can assist you. Please let us know how we can help you:

Budget & General Finance questions – **Mellanie Jinnette**

Flexibility & Other Finance Related Questions – **Shatika Spearman**

EIA/General Fund/Lottery Payments; National Board; Medicaid – **Sue Martinez**

PCS; EFA Payments – **Ann Castro**

General Grants Accounting – **Felicia Poston**

For questions regarding specific grants please contact the specific grants accountant referenced under the grants accounting section of this newsletter.

#### **Transportation: FYI**

Memos concerning quarterly fuel cost permit rates and school bus/boat permit base rate from the Office of Transportation have been posted to our website under Financial Services/Memos.

#### **New Position Code**

Position code 87 has been created for reading coaches. The only people that go in this code are the ones being paid for with the new Reading Funds. Reading Coaches will be funded after all intent forms have been returned by your district. Also, please note that Reading Coaches under this funding and reported in PCS in position code 87 **DO** qualify for National Board but **NOT** teacher supply.

The 2014-15 PCS Position Code list is posted at: <http://ed.sc.gov/agency/cfo/finance/Financial-Services/PCSInformation.cfm>

#### **New Revenue Codes for FY 2015**

Please use the following new revenue/sub fund codes to set up accounts for new revenue and updated EFA revenue to be received for FY 2015.

Reading Coaches	<b>*3135</b>	935
Technology Initiative	3630	963
High Achieving	3332	100
Academic Assistance	3351	100
Limited English Proficiency	3334	100
Pupils in Poverty	3352	100

**\*Correction to Revenue Code for Reading Coaches**

#### **FY 2014-15 Funding Flexibility**

Funding Flexibility Procedures and Forms for FY 2014-15 are posted on Finance's web page at <http://ed.sc.gov/agency/cfo/finance/Financial-Services/FlexibilityGuidelinesandReportingRequirements.cfm>

**GRANTS ACCOUNTING****ATTENTION!**

ALL SUB GRANTS EFFECTIVE 07/01/14 AND AFTER WILL BE PROCESSED THROUGH THE NEW GRANTS ACCOUNTING PROCESSING SYSTEM (GAPS).

STAY TUNED FOR NOTIFICATION OF ACCESS TO ONLINE TRAINING AND ACCESS TO THE SYSTEM.

ALL SUB GRANTS THAT WERE EFFECTIVE PRIOR TO 07/01/14 WILL CONTINUE TO BE PROCESSED USING THE OLD PAPER PROCESS UNTIL FURTHER NOTICE.

**Weekly Payments to School Districts**

Weekly payments to school districts are now posted on Finance's webpage at

<http://ed.sc.gov/agency/cfo/finance/Grants-Accounting/WeeklyPayments.cfm>.

Be on the lookout for further information on the Grants Accounting System for all grant awards beginning July 1, 2014 or thereafter.

Quarterly submission of claims is **HIGHLY** encouraged.

**Payment to Counties**

Payment to county printouts are posted on our website under Grants Accounting. An email went out to districts on August 14 from Mellanie.

**Submission of Expenditure Claims**

Please do not copy specific accountants on submissions to the claims box.

- 1) When submitting expenditure reports to the claims box at [Claims@ed.sc.gov](mailto:Claims@ed.sc.gov), please remember to only send one item per email and;
- 2) Include in the subject line: the sub recipient name, project #, sub program #, and claim # and;
- 3) **DO NOT SEND ORIGINAL**

**Submission of Revised Claims**

If you are submitting a revised claim, please label it accordingly. Also, if you are working with the specific accountant and submitting a corrected claim, please email it directly to the grants accountant's email address, not to the claims email address.

Please do not submit a revised claim without making email contact with the assigned accountant prior to submitting the revision. This is to ensure that the claim hasn't already been paid. If a claim has already been paid, you won't be able to make the correction without submission of a new claim number.

**Negative Expenditure Claims**

A refund check must accompany any negative claim submitted to Grants Accounting. Please don't request that we apply the negative amount to a future payment. Also, please make sure any checks that are being returned have adequate backup to include the original project number, payment number, sub program. Also, the reason that the check is being returned with the break down attached to the check.

**Budget Amendment Reminder**

Budget amendments need to have a change page that equals zero and a new budget page. The change page line items must equal the differences between the existing budget and the revised budget.

**Grants Accounting Questions**

In an attempt to provide districts with the utmost in customer service, we respectfully request that inquiries on payments, expenditure reports, etc. be made via e-mail first.

Please provide us with as much information as possible so that we can research the question/problem and get back with you quickly and with the most accurate answer as possible.

**Accountant Responsibility**

A listing of each grant and the responsible accountant is provided for your use under the Grants Accounting Section on the Office of Finance website. Please refer to this list when requesting specific information about a claim or payment.

**INSTRUCTIONAL MATERIALS****Allocations**

FY 14-15 district allocations for digital instructional materials and science kit refurbishment have been posted on Finance's web page under the Instructional Materials and District Auditing section.

**AUDITING SERVICES****DUE TO SCHEDULES**

Please review the schedule of funds due back to the state and federal government to ensure accuracy. Any payments not due back because of funding flexibility or carryover provisions should **not** be stated on the schedule. Payments made in error cannot be returned.

**Spring SCASBO – Electronic Audit Submission Presentation**

The powerpoint from the presentation on the Electronic Audit Submission and Other Audit Issues has been placed on the Office of Auditing Services webpage at <http://ed.sc.gov/agency/as/documents/ELECTRONICAUDITSUBMISSION.pdf>. If you have any questions regarding the information provided, please contact Melissa Myers at [mmyers@ed.sc.gov](mailto:mmyers@ed.sc.gov) or 803-734-8453.

**Electronic Audit Submission System**

The Office of Auditing Services is planning a training session on the new Electronic Audit Submission System. Please be on the lookout for registration information for the training soon.

**LEA Indirect Cost Rates**

LEA indirect cost rate proposals have been distributed to each LEA. Verify expenditures listed to your LEA's FY 2012-13 audited data. If revisions are needed, please note the corrections. All four printouts must be returned back to the SCDE Office of Auditing Services. Please note that if your LEA has a component unit, the component unit expenditures were added to the LEA's totals. Also, verify the amount listed for depreciation expense to the accumulated depreciation and use allowance totals noted on the FY 2012-13 supportive information sheet. An information memo regarding calculation of the rates is on the SCDE website at [http://ed.sc.gov/agency/as/documents/14-15\\_ICR-GENINFO.pdf](http://ed.sc.gov/agency/as/documents/14-15_ICR-GENINFO.pdf).

**Time and Effort Requirements**

Employees whose salary are charged in whole or in part to a federal cost objective must complete either the monthly personnel activity report (PAR) or the semi-annual certification. Certifications are required for those whose salary is charged 100% to a federal cost objective. The PAR is required for any employee whose salary is charged less than 100% to a federal cost objective or to multiple federal cost objectives. These requirements are stated in the Office of Management Budget Circular A-87 "Cost Principles for State, Local and Indian Tribal Governments" Attachment B Section 8h. A link to the circular can be found at <http://ed.sc.gov/agency/as/>.

An example of a PAR and certification are now located on our website at

<http://ed.sc.gov/agency/as/documents/FederalSamplePersonnelActivityReport.pdf> and <http://ed.sc.gov/agency/as/documents/FederalSampleSemi-AnnualCertification.pdf> respectively.

**Time and Effort Clarification for Food Service Employees**

Food Service employees are exempt from the requirement to prepare personnel activity reports or certifications. However, if the food service employee also works on another federal cost objective, the employee must complete the required time and effort reporting.



### **Substitute System for PAR's**

The USDE recently established guidance allowing an SEA to permit an LEA to use substitute documentation such as a teacher's course schedule as adequate documentation for the time and effort of an individual who works on multiple activities or cost objectives but does so on a predetermined schedule. An individual documenting time and effort under the substitute system would be permitted to certify time and effort on a semiannual basis, provided the LEA's substitute system meets requirements. In order to use the substitute system, the LEA must certify to the SEA that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate. Additionally, the certification must include a full disclosure of any known deficiencies with the system or known challenges with implementing the substitute system.

To review this guidance in full along with examples of acceptable substitute system, see <http://www2.ed.gov/policy/fund/guid/gposbul/time-and-effort-reporting.html>.

### **Annual Audit Guide**

Annual Audit Guide – The FY 2013-14 Annual Audit Guide has been posted to the SCDE website at <http://ed.sc.gov/agency/as/ManualsHandbooksandGuidelines.cfm>. The template for submission of the SCDE supplemental schedules is also located on the website under the 2013-2014 Audit Guide link. Please share this information with your independent auditors as it lists **new** audit submission requirements for FY 2013-14 audits.

### **Miscellaneous Revenue Codes and Subfunds**

When allocations to school districts exceed \$500,000 from a single source of funds, a unique revenue code and subfund are assigned to those funds and guidelines for those funds will appear in the Funding Manual produced by the Office of Finance. If total allocations do not exceed \$500,000, miscellaneous revenue codes and sub funds will be used as follows:

### **Miscellaneous Revenue Codes and Subfunds**

<u>Source of Fund</u>	<u>Revenue Code</u>	<u>Subfund</u>
Misc. State Restricted	3199	800 Series *
Misc. EIA	3599	399
Misc. State	3999	General Fund (100)
Misc. Lottery	3699	969
Misc. Federal	4999	800 series *

\*Districts choose any subfund available for use in the 800 series.

### **Financial Manuals**

#### **Funding Manual**

<http://ed.sc.gov/agency/cfo/finance/Financial-Services/documents/2013-2014FundingManual.pdf>

#### **Accounting Handbook:**

<http://ed.sc.gov/agency/as/ManualsHandbooksandGuidelines.cfm>

#### **Student Accountability:**

<http://ed.sc.gov/agency/cfo/finance/Financial-Services/documents/studentaccountabilitymanual.pdf>

**PCS Manual:** <http://ed.sc.gov/agency/cfo/finance/Financial-Services/documents/PCSUserManual0712.pdf>

#### **Audit Guide:**

<http://ed.sc.gov/agency/as/ManualsHandbooksandGuidelines.cfm>





**EFA/State Funding  
Release Dates  
2014-2015**

<b>August 22</b>	<b>November - TBD</b>	<b>February 20</b>	<b>May 22</b>
<b>September 22</b>	<b>December - TBD</b>	<b>March 20</b>	<b>June 22</b>
<b>October 22</b>	<b>January 22</b>	<b>April 22</b>	

**Due Dates for SCDE Reports 2014-2015**

Listed below are reports required by the Office of Finance and their due dates for 2014-15. Reports listed below that are identified by a dollar sign (\$) indicate that allocations are based on the information submitted in these reports. To avoid delays in the distribution of the allocations, please ensure that all reports are received in the Chief Financial Office by the specified due date.

November 3	DEADLINE FOR PCS STAFF UPDATES (THIS IS A DUE DATE FOR FEDERAL REPORTS AND ACCREDITATION REPORTS)
November 3	INITIAL MEMBERSHIP/ATTENDANCE 45 DAY REPORT INITIAL STUDENT ACCOUNTABILITY 45 DAY REPORT
December 2	2013-14 AUDITS AND IN\$ITE
December 3	MEMBERSHIP/ATTENDANCE CERTIFY 45 DAY REPORT (\$) STUDENT ACCOUNTABILITY CERTIFY 45 DAY REPORT (\$)
April 2	INITIAL MEMBERSHIP/ATTENDANCE 135 DAY REPORT INITIAL STUDENT ACCOUNTABILITY 135 DAY REPORT
April 30	PCS UPDATES FOR 135 DAY FUNDING (\$)
April 30	MEMBERSHIP/ATTENDANCE CERTIFY 135 DAY REPORT (\$) STUDENT ACCOUNTABILITY CERTIFY 135 DAY REPORT (\$) HOME INSTRUCTION REPORT (\$)
June 30	FINAL CHANGES TO PCS FY 2014-15 TECHNOLOGY PROFICIENCY
June 30	FLEXIBILITY REQUEST 2014-15



Questions concerning the above reports may be directed to Shatika Spearman at (803) 734-8008 in the Office of Finance.

Financial Newsletter Editor  
Kimberly Moss